

# DOCKETED

IN THE UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF NEW YORK

MIDWAY MANUFACTURING COMPANY : Deposition of  
vs. : William T. Rusch  
THE MAGNAVOX COMPANY : First Day  
and : 74 Civ 1657 CBM  
SANDERS ASSOCIATES, INC. : Street, 15th Floor,  
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IN THE UNITED STATES DISTRICT COURT FOR THE  
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

THE MAGNAVOX COMPANY, et al **FILED** Consolidated Actions

vs.  
BALLY MANUFACTURING  
CORPORATION, et al  
-----  
H. STUART CUNNINGHAM, CLERK  
UNITED STATES DISTRICT COURT

OCT - 8 1976

74 C 1030 ✓  
74 C 2510 ✓  
75 C 3153  
75 C 3933

Deposition taken pursuant to sub-  
poena and notice at the Sanders Associates, Inc.,  
Headquarters, Spit Brook Road, Nashua, New Hampshire;  
Thursday, February 19, 1976, commencing at one o'clock  
in the afternoon.

ERNEST W. NOLIN & ASSOCIATES

General Stenographic Reporters

369 ELGIN AVE, MANCHESTER, N. H. 03104

TELEPHONE: 623-6906

ORIGINAL

Q. Where do you live, Mr. PRESENT:

A. Midway, New Hampshire For Midway Manufacturing Company,  
Bally Manufacturing Corporation  
and Empire:

A. Yes. Donald L. Welsh, Esq., 135 South  
LaSalle Street, Chicago, Illinois

Q. How close is it?

A. About eight miles. For Attari, Inc.:

A. Are you employed? Flehu, Hohbach, Test, Albritton &  
Herbert, by Edward S. Wright, Esq.,  
160 Sansome Street, 15th Floor,  
San Francisco, California

A. Yes.

Q. By whom? For Sanders Associates, Inc. and  
Magnavox Company:

A. Sanders Associates, Incorporated.

Q. How long have you been James T. Williams, Esq., 77 West  
Washington Street, Chicago,  
Illinois

A. Since December of 1957 except for one year when I wasn't  
For Sanders Associates:

Q. With Sanders. Louis Etlinger, Esq. and Richard I.  
Seligman, Esq., Daniel Webster  
Highway, South, Nashua, New  
Hampshire

A. I believe it was '60 or thereabouts.

Q. What position do you hold? Stenotype Reporter:

A. Senior systems engineer Ronald J. Hayward

Q. How long have WILLIAM T. RUSCH position?

called as a witness, having been duly sworn, was examined and  
testified as follows: I am not sure that is the exact title of

(Interrogatories by Mr. Welsh.)

Q. Would you state your full name for the record please?

A. William Theodore Rusch. position for any length of time

Q. Where do you live, Mr. Rusch?  
A. Hollis, New Hampshire.  
Q. Is that near Nashua?  
A. Yes.  
Q. How close is it?  
A. About eight miles.  
Q. Are you employed?  
A. Yes.  
Q. By whom?  
A. Sanders Associates, Incorporated.  
Q. How long have you been employed by Sanders?  
A. Since December of 1957 except for one year when I wasn't  
Q. with Sanders.  
Q. What year was that?  
A. I believe it was '60 to '61, thereabouts.  
Q. What position do you hold now at Sanders?  
A. Senior systems engineer.  
Q. How long have you held that position?  
A. I guess several years. As a matter of fact, I'd like to  
clarify that. I am not sure that is the exact title of  
Q. the thing. I would have to check personnel records, but  
A. I believe that is the position.  
Q. Have you held the same position for any length of time?

A. Yes I would say two or three years.

Q. What department or division of Sanders do you work for?

A. Ocean Systems Division.

Q. Ocean? you remember generally?

A. Ocean Systems Division. rate scientist. It was the

Q. Have you held that position with Ocean Systems Division

Q. for that period of two to three years? were in that

A. Yes. rtment?

Q. What are your duties in that position? sign.

A. Engineering, electrical engineering.

Q. Design of systems or components or what? ance type of

A. Mostly system design, helping to write proposals.

Q. Do you have people working under you?

A. No. had a few commercial ventures as I recall involving

Q. Who do you report to? pital beds to detect when elderly

A. Mr. Leon Lewandowski. ing to come over the rails, and

Q. What position did you hold prior to your present posi-

Q. tion at Sanders?

A. You mean while I was at Sanders, what position did I

Q. have before this present one? ition with Mr. Boulder's

Q. Yes. rtment?

A. Again I'd have to check personnel records for the exact

Q. title; I believe it was as staff assistant. I was in



A. Mr. Mort Goulder's department., I forget just when it

Q. And what department was that?

A. I forget the exact name. *ers* do you presently work?

Q. *The* Well do you remember generally? *5/24/76*

A. I think he was a corporate scientist. *believe* It was the *was a*

A. Corporate Science Department I believe. *steas, Simon*

Q. What type of work did you do when you were in that

Q. department?

A. Again electrical engineering, system design.

Q. What types of systems? *id you work when you were with*

A. Well, some of them were undersea surveillance type of

A. systems. Canal Street. *id you hold at Sanders prior to going*

Q. Any others?

A. We had a few commercial ventures as I recall involving

A. alarm systems for hospital beds to detect when elderly

patients might be trying to come over the rails, and

Q. small cardioscopes. *ollection at all as to what your*

Q. Any others?

A. Those are the main ones that come to mind right now.

Q. How long did you hold your position with Mr. Goulder's

department? *to find out for sure.*

A. I believe that was in the order of two or three years?

Q. So that would take you back to around 1970?

A. Somewhere in there, '69 or '70, I forget just when it was. Chester Stronswold.

Q. In what facility of Sanders do you presently work?

A. ~~This is~~ <sup>The</sup> the Ocean Systems Division. <sup>w/r 5/24/76</sup>  
<sup>Believe</sup>  
<sup>mis & noted</sup>

Q. No, what facility, the Canal Street plant?

A. Well, this is a separate plant, Ocean Systems, Simon

Q. Street is the address. In '69 or '70?

Q. In Nashua? Not, yes, most probably in '69 I believe.

A. Yes. If you fix it any more definitely such as early or

Q. And in what facility did you work when you were with

A. Mr. Goulder's department? Personnel records.

A. That was Canal Street. department during the time that

Q. What position did you hold at Sanders prior to going

A. with Mr. Goulder's department? was Electronic Design

A. I worked for Mr. Ralph Baer; I don't remember the exact

Q. title of the position?

Q. Do you have any recollection at all as to what your

Q. title was? report to you while you were working for

A. It might have been staff assistant, senior engineer,

A. something like that. I would have to check the person-

Q. nel records to find out for sure.

Q. Did anyone work under you in Mr. Goulder's department?

A. No.

Q. And whom did you report to there? By that, I don't know

A. Mr. Chester Stromswold. I'd be the correct words. We

Q. When did you start working for Mr. Ralph Baer? I'm guessing

A. Sometime during 1967; prior to October, 1967. I think we

Q. And you worked for him until when? Reported to Mr. Baer I

A. Until I transferred to Mr. Goulder's group.

Q. And that was sometime in '69 or '70? *I think now (5/24/76) that*

A. As I recollect, yes, most probably in '69. *Bill reported to me that* I believe.

Q. Could you fix it any more definitely, such as early or *born in Nashua, N.H.*

A. Late '69? *work under Mr. Baer in 1967?* *See*

A. Not without looking at personnel records. *Second*

Q. Did Mr. Baer head up a department during the time that *Day 1 go.*

A. you were working for him? When I started that, I'd say *37*

A. Yes, I believe so. I believe it was Electronic Design

Q. Department. Department did you work in as manager of

Q. Where was that located? *grams?*

A. At Canal Street, Nashua. of that department; I believe I

Q. Did anybody report to you while you were working for

Q. Mr. Baer? as head of that department when you worked

A. Not officially, no.

Q. Unofficially?

A. Yes. did you report to?

Q. Who?

A. Bill Harrison. And I would qualify that, I don't know whether reported to would be the correct words. We worked together and he did a large part of implementing a lot or some of the ideas I had on the projects we were involved in. He officially reported to Mr. Baer I believe.

Q. Who did you report to?

A. Mr. Baer.

Q. What position did you hold at Sanders just prior to

A. going to work under Mr. Baer in 1967?

A. I was manager of Advanced Techniques Programs.

Q. During what period?

A. I don't remember exactly when I started that. I'd say

A. probably 1964 or '65, somewhere around there.

Q. And what department did you work in as manager of Advanced Techniques Programs?

A. I forget the exact name of that department; I believe it was Corporate Research and Development.

Q. Who was the head of that department when you worked there?

A. Herbert Campman.

Q. Whom did you report to?

A. Herbert Campman.

I think now  
(5/24/76) that  
Bill reported to  
John Mason directly.  
Both in Baer's dept.  
w/ PD  
5/24/76

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Day Depo.  
P. 11  
line 37

Q. Did anyone work under you or report to you? research pro-

A. Not directly, no.

Q. In what way did they? engineering work yourself at that

A. In that I was responsible for these advanced techniques

A. programs and people around the company who received

some of these funds had to send monthly reports to my office and I technically kept track of the projects. *but I didn't*

Q. So they really weren't working for you, but were working

Q. on projects? responsible for engineering? *to clarify my meaning*

A. Upon research projects which I had control of and kept track of.

Q. What subject matter was involved in the programs that you worked on or that were under your management?

A. Well one I remember involved speech recognition and I

Q. believe there was some delay line work, high frequency oscillators; those are about the main ones that I believe

A. I remember right now. I would call it, the Countermeasure

Q. Other than keeping track of projects that were being

Q. worked upon by others at that time, what did your

A. duties include?

A. Well that was the main part of the job; editing the

A. various reports, getting out a yearly financial report

Q. and helping assess and evaluate priorities to balance

the available funds against the requested research projects. There is one other group prior to that.

Q. Did you do any actual engineering work yourself at that time?

A. No. I will qualify that. I would say officially, no.

Being an engineer while I was doing that job, at odd moments, I might think about engineering problems, but

I wasn't --- our duties in that position?

Q. Not primarily responsible for engineering?

A. Not primarily responsible for any design type engineering.

ing.

Q. Did you have authority to make awards of funds in with

response to requests for them?

A. With Mr. Campman's approval, yes.

Q. What did you do at Sanders Associates prior to becoming manager of Advanced Techniques Programs? particular group?

A. I was in, I believe you would call it, the Countermeasures Group.

Q. Electronic Countermeasures?

A. Yes.

Q. For what period of time were you with that group?

A. I would say probably two years.

Q. Did you go with that group upon your return to Sanders

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To clarify  
my meaning

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after being away for a year? [Liams: Is this the work

A. Not quite. There is one other group prior to that. I think it was called QRC, Quick Reaction Capability Group. about.

Q. What position did you hold in the Electronic Counter-

Q. measures?

A. I believe that was senior engineer.

Q. What were your duties in that position? Capability

A. System design, evaluation of flight data.

Q. Is it electronic systems design work? rs, which I

A. Yes: ve was May, 1961, until I went to that Counter-

Q. What types of electronic components did you deal with?

A. You mean components or systems? did you have with the

Q. Yes, components? pability Group?

A. Not really components per se, it was more system.

Q. A design at a block diagram level in that particular group.

AQ. The components used in those systems at that time were solid state, were they not? e base error from magnetic

A. Yes. recordings. Another project I was involved with

Q. Transistors? was a method for deflecting an electron

A. Yes. veridily and with low power! That development led

Q. In that work, did you have anything to do with any type

of cathode ray tube display? orking on that. and



Q. Did that work involve MR. WILLIAMS: Is this the work  
A. in the ECM Division?

Q. What type of display MR. WELSH: That is what we are  
A. talking about. exact end use; I believe it was an alpha  
numeric display. It was THE WITNESS: No, not really. 5/1/64

Q. In any way? the saying that there is deflection speeds an

A. No. requirements could be met using fifty watts of power;

Q. How long were you with the Quick Reaction Capability  
Group? the forward way of doing it required five hundred

A. Well from the time I returned to Sanders, which I help  
believe was May, 1961, until I went to that Counter-the  
measures Group, possibly a year or two. at the end use of

Q. What did you do or what position did you hold with the

Q. Quick Reaction Capability Group? day or a raster scan?

A. Senior engineers I believe. a point plotting display in

Q. And what were your duties in that position? yes, we

A. One of them was supervising research and development the  
on a system for removing time base error from magnetic  
tape recordings. Another project I was involved with

Q. at that time was a method for deflecting an electron

A. beam rapidly and with low power. That development led  
to a United States patent. I do recall that was around  
February of 1963 that I was working on that. you are

Q. Did that work involve a cathode ray tube display?

A. Yes. ~~redge~~ who also worked on the project.

Q. What type of display was it? Sanders?

A. I forget the exact end use; I believe it was an alpha

numeric display. It was a project where the job had

been proposed saying that <sup>the</sup> ~~there is~~ deflection speeds and

requirements could be met using fifty watts of power;

and then when the job came in, it looked like the

straightforward way of doing it required five hundred  
watts of power and I was asked to see if I could help  
out and I came up with an idea that seemed to solve that  
problem, but I don't really remember what the end use of  
the display itself was for.

Q. Was it a point plotting type display or a raster scan?

A. It would have been more of a point plotting display in

that as I recall, that was part of the problem, we

wanted to move the beam to various positions around the  
face of the tube as rapidly as possible and then the  
beam would stay there for some length of time.

Q. What cathode ray tube did you work with?

A. Just normal oscilloscopes we had around the lab I

believe; let me think about that. I can't recall if we

had a separate CRT set up on the bench. If you are

really that interested, I can refer you to a Mr. Everett

A. Kittredge who also worked on the project.

Q. Was your patent assigned to Sanders?

A. Yes. My work was more of a research nature to see

Q. Were you the sole inventor?

A. I believe that was a triple patent issued to myself,

Q. Everett Kittredge and Mr. Thomas E. Woodruff.

Q. Who was the first of the three named as inventor?

A. I believe I was. As I recall, I wrote the thing up, the start of the whole thing was my idea.

A. Mr. Woodruff added some extra features which we incorporated into

Q. the patent. Mr. Kittredge helped in the reduction to

A. practice.

Q. Do you remember any other projects while you were with

Q. the Quick Reaction Capability Group?

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spelling

A. I believe for a month or two when I first joined that

Q. group, I did some work with deflection amplifiers --

A. transistorized deflection amplifiers.

Q. Were those amplifiers used with CRT's?

A. Yes.

Q. What CRT's were involved?

A. I don't remember.

Q. You don't remember whether they were just lab

A. oscilloscopes or separate CRT's?

A. The intended possible final use was to display CRT's

A. to be incorporated in military equipment built at Sanders. My work was more of a research nature to see if I could make a lower power more economical deflection amplifier than those which could be purchased commercially.

Q. Do you recall what CRT's you worked with? time?

A. No. of a compact nature

Q. Were you employed during the one year period prior to May, 1961, when you came back to Sanders? to May,

A. Yes.

Q. Where were you employed?

A. Matrix Research and Development Corporation, Nashua, New Hampshire.

Q. And how long were you employed there?

A. One year. Probably one year.

Q. That would have been from May, '60, until May, '61?

A. Yes. Programs Division.

Q. What position did you hold there? time?

A. Director of engineering.

Q. What were your duties in that position?

A. Well for several months it was directing engineering.

Q. And was that when you first went or ---

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A. Yes.

Q. What did you do after the several months?

A. The Matrix company was running into hard times and I ended up with several of my engineers down at Raytheon in Wayland, Mass. Still employed by Matrix, but under contract to Raytheon. <sup>the</sup> Special Circuit<sup>s</sup> Section in the

Q. What products did Matrix deal with at that time?

A. Mostly <sup>high</sup> voltage power supplies of a compact nature

A. oriented toward space experimental work. four months

Q. What position did you hold at Sanders prior to May, 1960, when you went to Matrix?

A. I forget the exact title, either again staff assistant, or senior engineer. I was in Mr. Thomas Woodruff's organization. <sup>that</sup> was the work of that Special Circuit<sup>s</sup> Section

Q. For what period of time?

A. I believe for one or two years. More probably one year.

Q. What was his organization at that time?

A. I believe it was called Special Programs Division.

Q. Did you do engineering work at that time?

A. Yes. solenoid power supplies.

Q. What type of work?

A. On direction finding systems, Servo loop analysis.

Q. This was engineering design work?

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A. Yes. at that time.

Q. Involving electronics again? referred in effect?

A. Yes. I wasn't forced to go, but he asked me to go.

Q. What did you do at Sanders prior to going with  
Mr. Woodruff's organization? the three or four months

A. I was supervisor of the Special Circuit<sup>s</sup> Section in the

electronic<sup>E</sup> design<sup>D</sup> department. under a Mr. Lloyd E.

Q. How long did you hold that position?

A. I was given that position about three or four months  
after coming to Sanders in December of 1957.

Q. And what were your duties in that position of supervisor?

A. I supervised a group of about ten engineers and fifteen  
technicians. Communication Laboratories, Division of

Q. And what was the work of that Special Circuit<sup>s</sup> Section  
at that time? you employed there?

A. That group was a functional group which did actual  
design of circuits for the various systems in Sanders at  
the time and specifically we worked on direction finding  
systems, missile guidance systems, current regulators  
for solenoid power supplies.

Q. How did you happen to leave that position as supervisor?

A. Well Mr. Woodruff convinced me that my services were

more needed by the company in his particular organization

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Q. at that time.

Q. He requested that you be transferred in effect?

A. I wasn't forced to go, but he asked me to go.

Q. Prior to becoming supervisor of the Special Circuit<sup>s</sup> Section, what did you do for the three or four months after you first came to Sanders?

A. General electronic design work under a Mr. Lloyd E. St. Jean.

Q. Were you employed just prior to coming to Sanders in December of 1957?

A. Yes.

Q. Where was that employment?

A. Federal TeleCommunications Laboratories, Division of ITT in Nutley, New Jersey.

Q. How long were you employed there?

A. From beginning about May of 1956 and I had been there once prior to that time with them.

Q. During what period?

A. Beginning in about 1950 or 1949 when I got out of college until I was drafted May 9, 1954. U.S. 51309874.

Q. Were you in the service from May 9, 1954, until May of 1956?

A. Right.

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Q. What type of work did you do at the Federal TeleCommuni-  
cations Labs? <sup>→ No 5</sup> wtr  
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A. Mostly circuit design and system design involving transistors.

Q. Was that after you got out of the service and went back?

A. Both times.

Q. How did you happen to leave Federal TeleCommunications Labs and come to Sanders? wtr

A. Several of my co-workers approached me one day and said they were coming up to Sanders for an interview and out of curiosity I went with them and I liked what I saw and received a nice offer and took it.

Q. You attended college?

A. Yes.

Q. Where?

A. Cambridge, Massachusetts, MIT.

Q. Did you graduate?

A. Yes.

Q. I believe you said that was in 1949?

A. Let me get these dates straight. No I made an error before. That would have been 1953 when I graduated. I entered in the fall of 1948. I was in a five year co-op program.

Q. What degree did you receive?

A. BSEE and MSEE. Were you requested to bring?

Q. Have you had any other formal education after high

school than that at MIT? Are those documents or things in

A. Just a few night courses mostly for my own benefit such

A. as industrial psychology at the University of New Hampshire and more recently a digital course through the Lowell Technological Institute. That was a night course

also. And may I interject just in the interest of

Q. You said Lowell Technological Institute? Northeastern?

A. I believe that is what it is called. I called Lowell Tech

Q. And that is in Lowell, Massachusetts? I had been con-

A. Lowell Tech. it is commonly referred to. That I did take.

Q. Is that in Lowell, Massachusetts? At opportunity when we

A. Yes. I did and I didn't. Did you make any search among

Q. When did you take that course? Any of the documents or

A. In the fall term of 1974. Attachment to the subpoena?

A. I looked through my I MR. WELSH: Why don't we take a  
break at this time. Were and at the time I had loaned  
them to Ralph Baer and (Whereupon, a recess was taken.)

Q. (By Mr. Welsh) Did you receive a subpoena to give your  
testimony at this deposition, Mr. Rusch?

A. Yes. You do anything else to prepare for giving your

- Q. Was there attached to the subpoena a list identifying documents which you were requested to bring?
- A. Yes, I believe so.
- Q. Did you make a search for those documents or things in that list?
- A. Not really in that all my material involving this TV case has been given to Ralph Baer and I was assured that that material would be here since he has gone through this. And may I interject just in the interest of truth that my digital course was with Northeastern University and I mistakenly recollected Lowell Tech which was one of the extension courses I had been considering, but Northeastern was the one that I did take.
- Q. Excuse me, I meant to give you that opportunity when we resumed and I didn't. Did you make any search among your own personal things for any of the documents or things called for in the attachment to the subpoena?
- A. I looked through my file cabinet at work for records of where my notebooks were and at the time I had loaned them to Ralph Baer and I also noted and it is my recollection that most all of my material involving this matter is in those notebooks. MR. WILLIAMS: I think you were
- Q. Did you do anything else to prepare for giving your

testimony here?

A. I talked several times with Sanders lawyers and their outside representatives.

Q. By Sanders lawyers, do you mean Mr. Seligman and Mr. Etlinger?

A. Yes.

Q. And who did you mean by their outside representatives?

A. Ted Anderson and James Williams.

Q. Were those times after you received the subpoena?

A. I believe in answering your question, yes they would have to be.

Q. Had you met Mr. Anderson or Mr. Williams prior to the receipt of your subpoena?

A. No.

Q. When was the first time you met with Sanders lawyers and their outside representatives?

A. MR. WILLIAMS: You mean the first time he ever met with Sanders lawyers?

A. MR. WELSH: And he said their outside representatives and he said that was after the subpoena had been served.

Q. MR. WILLIAMS: I think you were then speaking for his preparation for his testifying

A. here today? sixth floor.

Q. Were there any other MR. WELSH: Yes.

A. With Mr. Williams? MR. WILLIAMS: And are you still

Q. referring to that?

A. No.

MR. WELSH: Yes he said several

Q. times and I am asking when was the first of those lunch

several times. that you might be having lunch with

Mr. Williams and the THE WITNESS: I think it was day,

several months ago. I don't recall the exact date.

Q. Was it shortly after your subpoena was served?

A. I believe so. consider it to be a meeting such as the

Q. When was the next time?

A. I talked with Mr. Williams this morning at 8:30.

Q. Here? noon's coming events at all.

A. Yes. the first meeting after you were served with a

Q. By here, I mean in this building?

A. In this building. patent department, sixth floor of this

Q. How long did that meeting take place?

A. Perhaps thirty or forty minutes.

Q. Was anyone else present at that meeting? perhaps

A. During most of it, no. At the very end, I believe at

Mr. Seligman and Mr. Etlinger walked into the room.

Q. Was that held in the patent department here?

- A. Yes, on the sixth floor. anybody else actually came
- Q. Were there any other meetings? I think it was probably
- A. With Mr. Williams? introduced me to Mr. Williams and
- Q. Yes. Anderson probably outside of the conference room.
- A. No. long did that meeting last?
- Q. I am not trying to trip you up, but as I left for lunch
- Q. it was suggested that you might be having lunch with
- A. Mr. Williams and the patent counsel for Sanders today, did that happen? MR. WILLIAMS: Mr. Busch, the
- A. Yes, but it was more of a lunch than a meeting.
- Q. You didn't consider it to be a meeting such as the others that you had had? WALSH: Again I would like to
- A. No in that as I recollect, we hardly discussed the afternoon's coming events at all.
- Q. In the first meeting after you were served with a subpoena, where did that take place? question for an answer
- A. That was in the patent department, sixth floor of this building: quite clear.
- Q. Who was present at that meeting? that first meeting with
- A. Most of it was Ted Anderson and I -- and perhaps Mr. Williams might have been there for a few minutes at the beginning as I recollect. question which is protected
- Q. Anybody else? by-client privilege and I instruct the

A. I don't remember whether anybody else actually came into the room with us or not. I think it was probably Mr. Etlinger who introduced me to Mr. Williams and Mr. Anderson probably outside of the conference room.

Q. How long did that meeting last?

A. Possibly a half hour to an hour.

Q. Do you remember what was discussed at that meeting?

A. Just the various aspects ---

MR. WILLIAMS: Mr. Rusch, the question only calls for a yes or no answer.

THE WITNESS: Yes.

MR. WELSH: Again I would like to request you not to coach the witness or suggest answers to him, Mr. Williams.

MR. WILLIAMS: I only made a statement of fact, it wasn't a suggestion for an answer.

MR. WELSH: Well I think the import is quite clear.

Q. Mr. Rusch, what was discussed at that first meeting with Mr. Anderson?

MR. WILLIAMS: I object to the question as calling for information which is protected by the attorney-client privilege and I instruct the



witness not to answer that question.

Q. (By Mr. Welsh) Do you remember, Mr. Rusch, what was discussed at the meeting with Mr. Williams this morning?

A. Yes.

Q. What was discussed with him at that meeting?

MR. WILLIAMS: I object to the question for the same reason that I objected to the second previous question.

MR. WELSH: Do you instruct the witness not to answer?

MR. WILLIAMS: I instruct the witness not to answer the question.

Q. (By Mr. Welsh) With respect to the luncheon meeting today, you stated that you hardly discussed this afternoon's events at all, did you discuss this afternoon's events?

A. Yes in that, for example, I asked what your name was and things of that nature.

Q. Did you discuss anything else in connection with this afternoon's events?

MR. WILLIAMS: I object to the question as calling for information which is protected by the attorney-client privilege and I instruct the

A. witness not to answer the question. supervisor of

Q. (By Mr. Welsh) Are you familiar, Mr. Rusch, with the TV game development at Sanders Associates?

A. Yes. was fairly early after you came to Sanders?

Q. When did you first become aware of TV games being considered at Sanders Associates?

A. Sometime in the first few months of 1967. '59, somewhere

Q. How did you first become aware of TV games at Sanders at that time? such contact with him in that regard?

A. I received a phone call at work from Mr. Ralph Baer that requesting that I consider working for him. Shortly thereafter, I explored the possibility in person with him and I believe at that meeting he mentioned the possibility of developing commercial products, one of r.

Q. which was the TV game device. met Mr. Baer after you

Q. Did he also mention other devices at that time? left

A. Probably, although I don't recall specifically just what they were. We may have discussed electronic organs or electronic pianos and things of that nature also. groups which he headed.

Q. Had you known Mr. Baer prior to that time?

A. Yes.

Q. How had you known him? acization within Mr. Baer's

- A. Sometime near the end of my being supervisor of Special Circuits, Mr. Baer became department head and at that time I reported to him. *he two groups?*
- Q. That was fairly early after you came to Sanders? *system*
- A. I'd say so. *ated group and Mr. Baer's was more of a*
- Q. Well if you recall. *ated group.*
- A. I would think it might have been in '58, '59, somewhere around there. *an you came back to Sanders in the Quick*
- Q. Did you have much contact with him in that regard?
- A. In that he was my supervisor, yes. Let me qualify that just to be explicit. I believe at that time he may have been a division manager. I know there was a gap between us, that was unfilled for some time and while *wf 5/24/76*
- A. that gap was unfilled, I reported directly to Mr. Baer.
- Q. Did you have occasion to contact Mr. Baer after you went with Mr. Woodruff's organization, when you left the Special Circuits Section? *a to in early 1967?*
- A. Yes, during the normal course of business activity between the new group I was in and the functional design groups which he headed. *ave been of the Advanced*
- Q. Were they located in the same facility? *were done by*
- A. Yes. *is in Mr. Baer's group, but I don't really remember*
- Q. Was Mr. Woodruff's organization within Mr. Baer's

department?

A. No.

Q. But there was contact between the two groups?

A. Yes in that Mr. Woodruff's group was more of a system design oriented group and Mr. Baer's was more of a hardware design oriented group.

Q. Then after you left Mr. Woodruff's group, you went to Matrix and then you came back to Sanders in the Quick Reaction Capability and Electronic Countermeasures Group and did you have any contact with Mr. Baer at that time?

A. I'd say a minimal amount.

Q. Again did you both work in the same facility?

A. Yes.

Q. Then later when you were manager of Advanced Techniques Programs, did you have any contact with Mr. Baer prior to the time when he called you up in early 1967?

A. Probably.

Q. Do you recall specifically?

A. I was trying to recall. I believe some of the Advanced Techniques Projects that I was overseeing were done by people in Mr. Baer's group, but I can't really remember specifically just which projects these were.

Q. Were there other people in the Corporate Research and Development Group of Mr. Campman's in a position recall similar to yours in managing different projects?

A. No, other than he himself.

Q. Were you aware of all awards of funds for research by the Corporate Research Development Group?

A. I think not.

A. Yes.

MR. WELSH: Off the record.

Q. Do you recall hearing (Discussion off the record.)

Q. (By Mr. Welsh) I hand you what was marked previously at here in a deposition as exhibit 9-25 which appears to be a proposal to Mr. Campman from Mr. Baer requesting funds for low cost data entry devices in conjunction with the consumer or commercial TV sets for the purpose of gaming activities and ask if you have seen that document or a copy of it before?

MR. WILLIAMS: I object to the question as to the interrogator's representation as to what the document appears to be. It has been marked for identification and there is no doubt about the identity of it.

THE WITNESS: May I answer.

MR. WILLIAMS: You may answer the

question.

THE WITNESS: No I don't recall ever seeing this document.

Q. (By Mr. Welsh) This is dated December 20, 1966, that was during the time you were manager of Advanced Techniques Programs for the Corporate Research and Development Department, is that correct?

A. Yes.

Q. Do you recall hearing about this request or becoming aware of it while you were in that position on or about that time?

A. No, and I might add for clarification that the Advanced Techniques Programs was a Navy funded program whose projects were mostly of a military nature beneficial to the Navy. Mr. Campman had run that program. He was offered the position of handling the company research and development and he requested that I take over the Navy techniques and in that he had run them before I got there, he supervised me in that position too, but he mainly was concerned with company projects and I was concerned with the Navy military type projects.

Q. Were you ever informed as to whether Mr. Baer had made a request for funds prior to the time that he called

u R 176

you and asked you to come work with him in early '67?

A. I believe that after I accepted his offer and started working with him, that I was told that this project was a company funded project.

Q. You just stated you accepted Mr. Baer's offer to go to work for him, when did you first start to work for him?

A. I'd say somewhere between January and October of 1967.

Q. Can you fix the date any closer than that? wasn't daily.

A. Not from memory, certainly with records I could.

Q. Did you keep notebooks during that period? be instances

A. Yes I believe so. ok was all filled up except for a few

Q. Would those notebooks reflect when you started to work for Mr. Baer? recall doing so.

A. Probably. Personnel records most surely would. chrono-

Q. I hand you what has been marked as exhibit 17 and ask

A. if you recognize that?

A. Yes. you date each entry?

Q. What do you recognize it to be?

A. Well it looks like a Sanders Associates laboratory the notebook issued to me.

Q. How did you use notebooks issued to you by Sanders

Associates? review, exhibit 17, under any particular

A. I used them to record ideas which I thought might be



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- A. beneficial to the business of the company and, when doing design type engineering, to record data, facts, circuit diagrams.
- Q. Did you make entries daily?
- A. No.
- Q. What determines when you made entries?
- A. I guess in terms of recording beneficial ideas, it depended upon them coming to me, and that wasn't daily.
- Q. Did you make entries chronologically?
- A. I believe so, although there possibly will be instances where if a notebook was all filled up except for a few pages somewhere in it, I may have deviated from that, but I don't recall doing so at right now. I think this was it.
- Q. Was it your customary practice to make entries chronologically?
- A. Yes.
- Q. Did you date each entry?
- A. Most of the time.
- Q. Were there times then when you might not have put the date down?
- A. Yes.
- Q. Does this notebook, exhibit 17, cover any particular period of time?

NOTE: While correcting this (May 1976), I don't<sup>34</sup> have the notebooks, exhibits etc. so can't really check all the dates, page numbers, exhibit numbers etc.  
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A. Is says on the cover issued 10-28-66; completed 10-18-67,  
Q. which latter date appears on the last page of the notebook, page 100. Baer?

Q. That then includes the period of January through time 1 October, 1967, in which you stated you started to work for Mr. Baer? he may have planted that seed in my mind

A. Yes. at the TV games and I may have started thinking

Q. Can you by referring to exhibit 17 determine with greater certainty when that work for Mr. Baer commenced? Was any of the work on the pages you are now looking at, I think you are looking at page 40, done while you were working for Mr. Baer? and determine just when he did

A. I am trying to figure that out right now. I think this was probably just prior or sometime prior to when I went to work for Mr. Baer. This page 40 is dated 3-6-67, and it and neighboring pages seem to contain a rash of various ideas as on page 36. It says list of

Q. ideas. I can't quite recall whether I was searching for ideas on my own, whether this was as a result of talking with Mr. Baer and considering commercial possibilities. anything else?

Q. Did you do any of this work while you were still manager of the Advanced Techniques Programs? physical tone divide

A. Possibly, yes. ~~to Mr. Baer about and I think he had~~

Q. Did you do any work involving TV games before you went to work for Mr. Baer?

A. No I don't think so other than possibly from the time I first talked with him about the possibility of going to work for him, he may have planted that seed in my mind about the TV games and I may have started thinking about it, but I don't really remember.

Q. May I refer you back MR. WELSH: Mr. Williams, I wonder if prior to the next session when we resume Mr. Rusch's deposition, would it be possible to have someone check the employment records and determine just when he did go to work for Mr. Baer? ~~that page?~~

A. 9-23-57. MR. WILLIAMS:: We will see what is available. I am not sure what is in those records or what is involved, but we will certainly make an effort to find out what is available.

Q. (By Mr. Welsh) To interrupt you for a moment, Mr. Rusch, when you did start to work for Mr. Baer, did you commence working on TV games immediately or did you also work on something else? ~~to see~~

A. I believe it was TV games immediately, although at the

Q. same time I did have an idea for a musical tone divider

which I had told Mr. Baer about and I think he had agreed to let me work on that sometime after we got the TV game thing started.

Q. Well would this notebook reflect when you started to work on the TV games? or coming to work for him. I may

A. I would say yes. In perusing this, when I came to page 96, dated 9-29-67, I see an item that says diode gate for TVG. It meaning the latter

Q. May I refer you back to page 95 at the lower half?

A. Yes, I agree, page 95 has some TVG work. have been

Q. TVG referring to TV games? in that as far as I am con-

A. TV games. the original idea for using a CRT or a TV for

Q. And what is the date on that page? he must have mentioned

A. 9-25-67. me and then I set about in this memo trying to

Q. And is that the earliest reference to TV games that you could find? a basic premise.

A. In this quick perusal, yes. ELSH: I see we have gone

Q. I show you what has previously been marked as exhibit, 9-44 through 9-50 and ask if you recognize that?

A. Yes, say.

Q. What do you recognize it to be? AMS: Tentatively.

A. It looks like a memo that I wrote to Mr. Baer, yes.

Q. Do you recall writing it? in the above-entitled matter

A. Yes. (deposited at 11:10 P.M.)

Q. Do you recall the circumstances leading to your writing it?

A. I think it must have been after I talked with Mr. Baer about the possibility of coming to work for him. I may have written this before I came to work for him just to be helpful or I might have been working for him then, but I doubt it. → "It" meaning the latter

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Q. Was this a result of your own thinking?

A. The ideas listed here, yes, but it must have been spurred by a talk with him in that as far as I am concerned, the original idea for using a CRT or a TV for games was Mr. Baer's and I believe he must have mentioned that to me and then I set about in this memo trying to offer what ideas I could come up with to help implement that original basic premise.

\* This deposition has been submitted to the court clerk by the Notary Public on the 5th day of August, 1976, p. 47

MR. WELSH: I see we have gone past the hour at which we decided to close, therefore, I would like to recess as we indicated until next Tuesday.

MR. WILLIAMS: Tentatively.

MR. WELSH: Tentatively, yes.

(Whereupon, the deposition in the above-entitled matter

was adjourned at 3:30 P.M.)

*William T. Rusch* \*  
Deponent 5/28/76

STATE OF NEW HAMPSHIRE )  
COUNTY OF Sullivan ) SS.

Subscribed and sworn to before me this 28 day of

May 19 76.

VIRGINIA J. MURPHY, Notary Public

*Virginia J. Murphy*  
Justice of the Peace and/or  
Notary Public

\* This deposition has been corrected  
to the extent covered by  
note in Deposition of eighth  
day, p. 47